

**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, DC 20554**

In the Matter of)	
)	
Federal-State Joint Board on)	CC Docket No. 96-45
Universal Service)	
)	DA 03-1959
NPCR, INC. d/b/a NEXTEL PARTNERS)	
)	
Petition for Designation as an)	
Eligible Telecommunications Carrier)	
in the State of Virginia)	
_____)	

***EX PARTE* COMMENTS OF NPCR, INC. d/b/a NEXTEL PARTNERS
IN REPLY TO LATE-FILED COMMENTS OF OPASTCO**

NPCR, INC. d/b/a NEXTEL PARTNERS

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Date: July 23, 2003

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SUMMARY

Nextel Partners submits these *ex parte* comments in response to the late-filed comments filed by OPASTCO in this proceeding.

The Commission should reject OPASTCO's request for a stay of the Commission's consideration of Nextel Partners' petition for ETC designation based on the possibility of future changes in the Commission's rules regarding the distribution of Universal Service Funds. The Commission is bound by existing rules and established policies that call for prompt consideration of ETC designation petitions. Moreover, Nextel Partners and any other petitioning or designated carrier will be subject to all relevant future rule changes. OPASTCO is improperly attempting to use the possibility of future growth in the Universal Service Fund as a springboard for limiting competition. Future growth in the USF has already been anticipated by the Commission's rules and proceedings and will be timely addressed by the Commission in due course. In the meantime, the public interest requires that residents of rural Virginia should be afforded similar access to competitive ETCs as that already being enjoyed by residents of other states.

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NPCR, Inc. d/b/a Nextel Partners (“Nextel Partners”), by its undersigned counsel, hereby submits these “*Ex Parte* Comments” in the above-captioned proceeding in response to late filed comments filed on July 21, 2003 by the Organization for the Promotion and Advancement of Small Telecommunications Companies (“OPASTCO”). Although OPASTCO styled its respective submission as “Reply Comments,” OPASTCO’s submission is actually initial comments within the scope of 47 C.F.R. § 1.415(b) rather than “reply comments” under 47 C.F.R. § 1.415(c), because the submission raises *direct* comments on Nextel Partners’ petition, and does not respond to any of the earlier comments filed in this proceeding. Thus, OPASTCO’s comments must be treated as late-filed comments and either rejected by the Commission as late or considered on an *ex parte* basis only.

OPASTCO filed a virtually identical set of late-filed comments on July 14, 2003 in response to Nextel Partners’ Petition for Designation as an ETC in the State of Pennsylvania.¹ It is apparent that OPASTCO’s late-filed comments in the instant proceeding have very little to do

with Nextel Partners' Virginia ETC Petition or the representations it contains, and are for the most part only general assertions about the ETC process as a whole. OPASTCO does not present any reasonable basis for denying or staying Nextel Partners' petition. Nextel Partners respectfully requests that the Commission grant Nextel Partners' petition for ETC designation within Virginia immediately.

I. REPLY TO OPASTCO'S COMMENTS

OPASTCO comments generally that Nextel Partners should be required to make a larger public interest showing, "taking into account both the public benefits and the public costs of granting ETC status to [Nextel Partners]."² OPASTCO also suggests that the Commission should consider staying the instant proceeding "pending the resolution of the current proceeding that is considering changes to the Commission's rules relating to high-cost support in competitive study areas."³ OPASTCO's comments have no merit.

A. OPASTCO Has Not Shown a Sufficient Basis for a Stay

The possibility of a future change in rules generally affecting the designation of ETCs and/or the distribution of Universal Service Funds cannot justify staying Nextel Partners' request for designation as an ETC in Virginia. The Commission is bound to abide by *existing* rules and policies in all proceedings.⁴ This includes ETC designation proceedings, in which the Commission has rejected the very type of argument raised by OPASTCO on the basis that,

¹ See Reply Comments of the Organization for the Promotion and Advancement of Small Telecommunications Companies in CC Docket 96-45, DA 03-1929 (Nextel Partners' Pennsylvania ETC Proceeding) (filed July 14, 2003).

² OPASTCO Comments at 2.

³ *Id.*

⁴ *CSRA Cablevision, Inc.*, Memorandum Opinion and Order, 47 FCC 2d 572 at ¶ 6 (1974) ("Under the Administrative Procedure Act and the relevant judicial decision, the Commission is bound to follow its existing rules until they have been amended pursuant to the procedures specified by that act.")

“these concerns are beyond the scope of this Order, which designates a particular carrier as an ETC” under existing rules.⁵ Moreover, as Nextel Partners observed in its Reply Comments filed in this proceeding, since Nextel Partners and all other ETC petitioners must in any event comply with Commission Orders that adopt Joint Board recommendations, there is no logic in holding ETC designation proceedings in abeyance pending the outcome of Joint Board proceedings or Commission rulemakings.⁶

The Commission is committed to resolving ETC designation petitions in a six-month time frame, recognizing that “excessive delay in the designation of competing providers may hinder the development of competition and the availability of service in many high-cost areas.”⁷ Staying the instant proceeding would “unnecessarily delay resolution of this matter well beyond the Commission’s informal [six month] commitment.”⁸

OPASTCO raises the specter of imminent ballooning of the Universal Service Fund as grounds for a stay, asserting that if Nextel Partners is granted ETC designation in Virginia, then

⁵ *Federal-State Joint Board on Universal Service; Cellular South License, Inc., Petition for Designation as an Eligible Telecommunications Carrier Throughout its Licensed Service Area in the State of Alabama*, 17 FCC Rcd 24393, 24405-06 (2002).

⁶ Reply Comments of Nextel Partners (filed July 21, 2003) at 3-4, *citing In the Matter of the Federal-State Joint Board on Universal Service*, Order and Order on Reconsideration in CC Docket No. 96-45 at ¶ 34 (released July 14, 2003) (“We note that the outcome of the Commission’s pending proceeding examining the rules relating to high-cost universal service support in competitive areas could potentially impact, among other things, the support that competitive ETCs may receive in the future. *As such, we recognize that any grant of competitive ETC status pending completion of that proceeding will be subject to whatever rules are established in the future.*”) (emphasis supplied).

⁷ *Federal-State Joint Board on Universal Service; Promoting Deployment and Subscribership in Unserved Areas and Underserved Areas, Including Tribal and Insular Areas*, Twelfth Report and Order, Memorandum Opinion and Order, and Further Notice of Proposed Rulemaking, 15 FCC Rcd 12208, 12264 (2000) (“Twelfth Report and Order”).

⁸ *See Federal-State Joint Board on Universal Service; RCC Holdings, Inc., Petition for Designation as an Eligible Telecommunications Carrier Throughout its Licensed Service Area in the State of Alabama*, 17 FCC Rcd 23532, 23535, n.27 (2000).

all CMRS providers everywhere will seek and obtain ETC designation,⁹ and “OPASTCO estimated that if all CMRS providers nationwide were to apply for and receive ETC status, the annual funding level of the High-Cost program would increase by approximately \$2 billion.¹⁰ But OPASTCO offers *no* evidence demonstrating that all CMRS providers wish to be designated as ETCs. There has been no flood of wireline ETC petitioners and there is no reason to assume that wireless carriers will act differently by seeking to obtain ETC designation *en masse*.

In developing support mechanisms, the Commission was aware that the Universal Service Fund would grow over time as competitive ETCs entered the market, and the Commission adopted mechanisms that would allow for adjustment over time.¹¹ The funding¹² and all of the core services¹³ were discussed in length, reviewed by the Joint Board, reconsidered

⁹ See OPASTCO Comments at 2-3.

¹⁰ OPASTCO Comments at 3.

¹¹ See *In the Matter of Federal-State Joint Board on Universal Service: Multi-Association Group (MAG) plan for Regulation of Interstate Services of Non-Price Cap Incumbent Local Exchange Carriers and Interexchange Carriers*, Fourteenth Report and Order, Twenty-Second Order on Reconsideration, and Further Notice of Proposed Rulemaking, 16 FCC Rcd 11244, ¶ 11 (2001) (“The plan adopted today will provide certainty and stability for rural carriers for the next five years, enabling them to continue to provide supported services at affordable rates to American consumers. While we take an important step today on rural universal service reform, our task is not done. Our universal service rules cannot remain static in a dynamic marketplace. As we move forward, we will continue to refine our policies to preserve and advance universal service, consistent with the mandates in section 254.”) (“MAG Order”); See also *In the Matter of Federal-State Joint Board on Universal Service*, Notice of Proposed Rulemaking, 18 FCC Rcd 2932, ¶ 84 (2003) (wherein the Commission is already working to address anticipated future growth in the USF resulting from the entry of additional wireless ETCs during the next several years.)

¹² See, e.g., *In the Matter of Federal-State Joint Board on Universal Service*, Ninth Report and Order and Eighteenth Order on Reconsideration, 14 FCC Rcd 20452, ¶ 90 (1999) (discussing support of second lines and the lines of non-ILEC ETCs).

¹³ See *In the Matter of the Federal-State Joint Board on Universal Service*, Order and Order on Reconsideration, 2003 FCC Lexis 3915, DA 03-170 (rel. July 14, 2003) ¶ 7.

in the recent Order and Order on Reconsideration¹⁴ and, in some cases, litigated.¹⁵ In establishing the funding mechanisms, the Commission struck a balance between the concerns of all types of parties and carriers, including consideration of issues involving wireless ETC designation.¹⁶ To prevent designation of competitive ETCs as we move the implementation phase is troubling at best, and antithetical to the underlying purposes of the Act.¹⁷ After the ILECs fought to increase the amount of funding to support embedded costs,¹⁸ they are now using the size of the fund as an argument to prevent the entry of competitors.¹⁹

Nextel Partners' primary business focus is the provision of services in mid-sized and tertiary markets.²⁰ This business focus makes Nextel Partners a natural and high-priority candidate for ETC designation. But not every CMRS carrier is interested in pursuing an active course of providing the required services for ETC designation and building out a network in

¹⁴ *Id.*

¹⁵ *See, e.g., Alenco Communications, Inc. et al v.FCC*, 201 F.3d 608 (5th Cir 2000).

¹⁶ *See* MAG Order at ¶ 17 (“The Recommendation represents the consensus of individual Rural Task Force members, who work for a broad range of interested parties, often with competing interests, including rural telephone companies, competitive local exchange carriers, interexchange carriers, wireless providers, consumer advocates, and state and federal government agencies”), ¶ 178 (“All telecommunications carriers, including commercial mobile radio service (CMRS) carriers that provide supported services, regardless of the technology used, may be eligible to receive federal universal service support”), and ¶ 180 (“we adopt the Rural Task Force’s recommendation that a wireless mobile carrier use a customer’s location ... for purposes of receiving high-cost universal service support”).

¹⁷ *See Alenco Communications* at 619.

¹⁸ *See* MAG Order at ¶¶ 6-8.

¹⁹ In non-rural study areas, the OPASTCO’s anticompetitive “ballooning” argument, which OPASTCO has attempted to cloak in the guise of a “public interest” concern over the size of the fund, is irrelevant since no public interest determination is warranted under the Act for non-rural study areas.

²⁰ *See Exhibit 1* hereto, Excerpts from Nextel Partners, Inc.’s publicly filed Form 10-K Annual Report at 4. While Nextel Partners, Inc. serves the secondary and tertiary markets, Nextel Communications, Inc., a separate publicly traded company, serves the primary markets.

high-cost areas. A ready example can be derived from the comments filed in this proceeding on July 14, 2003 by one of the other commenters, NTELOS, Inc. (“NTELOS”). NTELOS noted in its comments that, in two rural areas (Waynesboro and Daleville) within NTELOS’ service territory, there were already six (albeit unnamed) wireless companies offering service – but apparently none of them has filed a petition for designation as an ETC.²¹ Presumably, every one of these six carriers has been on notice for some time of the Universal Service Fund and the benefits and obligations associated with ETC status, but they are not “compelled” to obtain ETC status in order to compete.

In any case, OPASTCO’s speculation as to what wireless providers other than Nextel Partners may or may not choose to do is not relevant to this proceeding, which involves the consideration of whether a *particular* CMRS provider—Nextel Partners—should be designated as an ETC in various rural and non-rural service areas in Virginia. That issue turns on whether Nextel Partners has made the requisite showings in its Petition, and whether, with regard to study areas of rural telephone companies, the public interest would be served by the grant of ETC status. OPASTCO has not demonstrated that Nextel Partners failed to meet its burden on these issues, and OPASTCO has submitted nothing that would warrant denying or staying Nextel Partners’ petition.

Rather than addressing these relevant issues, OPASTCO’s sole basis for asserting that Nextel Partners should not be designated an ETC is that Nextel Partners is a wireless provider and designation of wireless providers is something with which OPASTCO disagrees. Despite

²¹ Comments of NTELOS, Inc. in Nextel Partners’ Virginia ETC proceeding, CC Docket No. 96-45, DA 03-1959 (filed July 14, 2003) at 3. NTELOS argued that any one of the six wireless carriers it referred to “could make the same assertions that Nextel makes in its petition.” As a consequence, it can be inferred from NTELOS’ statement that none of these carriers has yet done so.

OPASTCO's claims, however, there is no reason to believe that wireless ETCs pose any greater risk than wireline ETCs to the survival of the Universal Service Fund.

Moreover, the Commission's universal service rules do not favor one type of technology over another.²² The Commission has adopted an explicit Universal Service principle of competitive and *technological* neutrality that prohibits discrimination against wireless ETCs, stating:

Universal support mechanisms and rules should be competitively neutral. In this context, competitive neutrality means that universal service support mechanisms and rules neither unfairly advantage nor disadvantage one provider over another, and neither unfairly favor nor disfavor one technology over another.²³

The Commission goes on to clarify:

We anticipate that a policy of technological neutrality will foster the development of competition and benefit certain providers, *including wireless*, cable, and small businesses, that may have been excluded from participation in universal service mechanisms if we had interpreted universal service eligibility criteria so as to favor particular technologies.²⁴

The Commission has already determined that wireless providers should be designated as ETCs, stating, "We agree with the Joint Board's analysis and recommendation that any telecommunications carrier using any technology, including wireless technology, is eligible to receive universal service support if it meets the criteria under Section 214(e)(1)."²⁵ Moreover, contrary to OPASTCO's claims,²⁶ the Commission has previously designated large wireless

²² See *In Re: Federal-State Joint Board on Universal Service*, CC Docket No. 96-45, *First Report and Order*, FCC 97-157 at ¶¶ 46-52 (May 8, 1997).

²³ *Id.* at ¶ 47.

²⁴ *Id.* at ¶ 49 (emphasis supplied).

²⁵ *Id.* at ¶ 145.

²⁶ OPASTCO's Comments at 2.

carriers as ETCs.²⁷ The Commission cannot stay or deny Nextel Partners' petition for ETC designation merely because Nextel Partners is a wireless carrier.

B. Nextel Partners Met its Burden of Demonstrating that Designation of Nextel Partners as an ETC in Virginia would Serve the Public Interest

OPASTCO asserts that Nextel Partners' petition "is based entirely on vague generalities regarding the generic benefits of competition."²⁸ OPASTCO is mistaken. Nextel Partners' petition in fact explains that Nextel Partners will offer the supported services throughout its service area for which it seeks designation and demonstrates further that the public interest will be served through granting of Nextel Partners' petition. OPASTCO fails to demonstrate otherwise, and in fact does not even attempt to do so, demurring instead that OPASTCO's comments "are not intended to debate the many nuances of considering the public interest when evaluating an ETC application."²⁹

In fact, OPASTCO does not appear to have any concern at all for the benefits that will accrue to the citizens of Virginia as a direct result of the designation of Nextel Partners as an ETC. In this regard, it is remarkable that, while OPASTCO recognizes that the citizens of Iowa

²⁷ Western Wireless, via its subsidiaries, Cellco d/b/a Bell Atlantic Mobile and Cellular South, have been designated ETCs in several states. See, e.g., Memorandum Opinion and Order, *Western Wireless Corporation Petition for Designation as an Eligible Telecommunications Carrier in the State of Wyoming*, 16 FCC Rcd 48 (2000) ("*Western Wireless Wyoming Order*"; Memorandum Opinion and Order, *In the Matter of Federal-State Board on Universal Service; Western Wireless Corporation Petition for Designation as an Eligible Telecommunications Carrier for the Pine Ridge Reservation in South Dakota*, 16 FCC Rcd 18133 (2001) ("*Western Wireless Pine Ridge Order*"); Memorandum Opinion and Order, *In the Matter of Federal State Joint Board on Universal Service; Cellular South License, Inc. Petition for Designation as an Eligible Telecommunications Carrier Throughout its Licensed Service Area in the State of Alabama*, 17 FCC Rcd 24493 (2002) ("*Cellular South Order*"); and Memorandum Opinion and Order, *In the Matter of Federal State Joint Board on Universal Service; Cellco Partnership d/b/a Bell Atlantic Mobile. Petition for Designation as an Eligible Telecommunications Carrier*, 16 FCC Rcd 39 (2000) ("*Cellco Order*").

²⁸ OPASTCO Comments at 5.

²⁹ OPASTCO Comments at 4.

are able to choose among several competitive ETCs,³⁰ OPASTCO nevertheless seeks to deny these benefits to the citizens of Virginia. OPASTCO does not explain how or why the public interest of rural citizens in Virginia differs so drastically from that of citizens in Iowa and other states where wireless ETCs have been designated. Residents of Virginia are not “second-class citizens” and do not deserve to be treated as such.³¹

OPASTCO does not properly focus on the interests of the citizens of Virginia, and in particular whether rural consumers in Virginia might benefit from competitive alternatives and a more comprehensive menu of choices. Instead, to support its contention that the “public interest” does not favor designation of Nextel Partners as an ETC, OPASTCO focuses on the same theoretical structural effects on the Universal Service Fund that OPASTCO predicts may result from the designation of wireless ETCs in general as already discussed above.

OPASTCO claims, “there is no discussion in Nextel’s application of the public costs that would be incurred by providing high-cost support to Nextel for its existing customer base.”³² OPASTCO does not cite to any applicable legal authority that would require Nextel Partners to include such an amorphous discussion in its petition. At any rate, Nextel Partners does not believe there is any adverse public cost that might realistically result from designation of Nextel Partners as an ETC, and thus Nextel Partners did not discuss such “costs” in its petition. Nor has OPASTCO independently demonstrated any adverse public costs that would result from granting the petition. Indeed, OPASTCO has not even attempted to do so, but has merely propounded

³⁰ OPASTCO Comments at 3, n.4.

³¹ See *Application of WWC Texas RSA Limited Partnership for Designation as an Eligible Telecommunications Carrier Pursuant to 47 U.S.C. § 214 (e) and PUC SUBST. R. 26.418*, PUC Docket Nos. 22289 and 22295, SOAH Docket Nos. 473-00-1167 and 473-00-1168, Order at 2 (Texas Public Utility Commission, October 30, 2000) (“Rural Texans are not second class citizens and should not be deprived of competitive alternatives or access to new technologies.”)

³² OPASTCO Comments at 5.

theoretical platitudes that it would like some other party—perhaps Nextel Partners or the Commission—to investigate and address. If OPASTCO is concerned that the public would be harmed as a result of increased competition to an incumbent ETC, then OPASTCO should come forward with some reasonable empirical evidence to make such a demonstration.³³ In the words of the Commission, as for the *possibility* that a rural area might “*in fact* be incapable of sustaining more than one ETC ... evidence would need to be before us before we could conclude that it is not in the public interest to designate an [ETC].”³⁴ Neither OPASTCO, nor any potentially affected incumbent ETC, has provided such evidence.

The Commission’s Universal Service Rules are based on the fundamental assumptions that *all* residents of rural communities will benefit from competition in telecommunications services and access to the same technologies and services that are available to residents of urban areas. This central goal is stated outright in the Act itself:

Consumers in all regions of the Nation, including low-income consumers and those in rural, insular and high cost areas, should have access to telecommunications and information services, including interexchange services and advanced telecommunications and information services, that are reasonably comparable to those services provided in urban areas and that are available at rates that are reasonably comparable to rates charged for similar services in urban areas.

47 U.S.C. § 254(b)(3). The burden is on parties opposing designation to demonstrate why these assumptions – and clearly-stated statutory imperatives -- do not apply to Nextel Partners’ ETC petition in Virginia. OPASTCO and the other commenters have not met that burden.

³³ See *Western Wireless Wyoming Order* at ¶ 25 (the issue to be addressed in making the public interest determination is “whether consumers will be harmed.”)

³⁴ *Western Wireless Wyoming Order* at ¶ 22.

II. CONCLUSION

Because all applicable legal and public interest requirements for designation as an eligible telecommunications carrier have been met, Nextel Partners requests that the Commission promptly grant Nextel Partners' Petition.

Respectfully submitted,

NPCR, INC. d/b/a NEXTEL PARTNERS

By [signed]
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Date: July 23, 2003

SERVICE LIST

The following persons are served with a true and complete photocopy of Nextel Partners'

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[Signed]
Ronald J. Jarvis

EXHIBIT 1

**Excerpts from Nextel Partners, Inc.'s
Publicly filed Form 10-K Annual Report**

10-K 1 a2106128z10-k.htm 10-K

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**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549

FORM 10-K

(Mark One)

- ☒ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15 (d) OF THE
SECURITIES EXCHANGE ACT OF 1934**

For the fiscal year ended December 31, 2002

OR

- ☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15 (d) OF THE
SECURITIES EXCHANGE ACT OF 1934**

For the transition period from _____ to _____

Commission file number: 000-29633

NEXTEL PARTNERS, INC.
(Exact Name of Registrant as Specified in Its Charter)

Delaware
(State or Other Jurisdiction of
Incorporation or Organization)

91-1930918
(I.R.S. Employer Identification No.)

**4500 Carillon Point,
Kirkland, Washington 98033,
(425) 576-3600**
(Address of principal executive offices, zip code
and telephone number, including area code)

SECURITIES REGISTERED PURSUANT TO SECTION 12(b) OF THE ACT:
None

SECURITIES REGISTERED PURSUANT TO SECTION 12(g) OF THE ACT:
Class A Common Stock, \$0.001 par value

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. ☐

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PART IV

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PART I

Item 1. Business

Overview

We provide digital mobile communications services using the Nextel brand name in mid-sized and tertiary markets throughout the United States. We offer digital cellular services; Direct Connect® (the long-range digital walkie-talkie service); wireless data services, including email; text messaging; and Nextel Online®, which provides wireless access to the Internet and an organization's internal databases and other applications. We hold licenses for wireless frequencies in markets where over 53 million people, or Pops, live and work. We have constructed and operate a digital mobile network compatible with the digital mobile network constructed and operated by Nextel Communications, Inc. ("Nextel") in targeted portions of these markets, including 13 of the top 100 metropolitan statistical areas and 57 of the top 200 metropolitan statistical areas in the United States ranked by population. Our combined "Nextel Digital Mobile Network" constitutes one of the largest fully integrated digital wireless communications systems in the United States, covering 197 of the top 200 metropolitan statistical areas in the United States at the end of 2002. As of December 31, 2002 we had approximately 877,800 digital handsets in service in our markets.

Our relationship with Nextel was created to accelerate the build-out and expand the reach of the Nextel Digital Mobile Network. In January 1999, we entered into a joint venture agreement with Nextel WIP Corp. ("Nextel WIP"), an indirect wholly owned subsidiary of Nextel. Nextel, through Nextel WIP, contributed to us cash, licenses for wireless frequencies and granted us the exclusive right to use the Nextel brand name in exchange for ownership in us and our commitment to build out our compatible digital mobile network in selected markets and corridors, in most cases adjacent to operating Nextel markets. As of December 31, 2002, Nextel WIP owned 31.6% of our common stock and is our largest stockholder. By the end of 2002, we had successfully built all of the markets we were initially required to build under our 1999 agreement with Nextel. Since 1999 we have exercised options to expand our network into additional markets. By December 31, 2002, we had completed the construction of all but two of these additional markets, both of which we expect to complete and launch in the first half of 2003. Through our affiliation with Nextel our customers have seamless nationwide coverage on the entire Nextel Digital Mobile Network.

We offer a package of wireless voice and data services under the Nextel brand name targeted primarily to business users. We currently offer the following four services, fully integrated and accessible through a single wireless handset:

- digital mobile telephone service, including advanced calling features such as speakerphone, conference calling, voice-mail, call forwarding and additional line service;
- Direct Connect, sometimes referred to as the long-range walkie-talkie feature, which allows customers in the same geographic region to contact each other instantly, on private one-to-one calls or on group calls involving up to 100 customers simultaneously;
- two-way messaging, which allows customers to receive and send short numeric and text messages from their handset; and
- Internet services, marketed as Nextel Online, which provide customers with Internet-ready handsets access to the World Wide Web and web-based applications such as email, address books, calendars and advanced